

PURPOSE: The purpose of the "Training Today Newsletter" is to provide assistance and support for TPAES users submitting PAE applications. We also use this notification to communicate upcoming LTSS initiatives and to describe how those may affect your daily practices. Please forward to staff in your company that complete or submit TennCare (Medicaid) PAEs/PASRRs. This contains vital information for all TPAES users.

Blended Prospective Quality- and Acuity-Adjusted Rate Changes Coming Soon...

- **What's changing?** There will no longer be Level 1 and Level 2 Nursing Facility rates. Each NF will have a **Blended Quality- and Acuity- adjusted Per Diem Rate** which takes into account the case mix of residents in the facility and the facility's quality performance in QuILTSS.
- **When?** Nursing facility reimbursement rate changes will be implemented 8/1/18, but with an effective date of 7/1/2018.



- Skilled Services may still be requested on the PAE for purposes of calculating the acuity score for level of care determination, but not for purposes of reimbursement (other than Enhanced Respiratory Care for contracted ERC facilities).
- Enhanced Respiratory Care (ERC) Reimbursement submission and approval processes will not change **except** that ERC rates will be an add on to the NF's blended per diem rate. TPAES will be streamlined for ERC requests.

Blended Rates- How this Affects You

- For dates of service beginning 7/1, you will no longer request Level 2 reimbursement based on skilled services (or request to extend Level 2 reimbursement based on skilled services) in TPAES.
- You will **ONLY** request NF LOC or ERC (or to extend such LOC/ reimbursement), as applicable.
- Effective 6/30, all existing 1b segments (currently level 2 reimbursement **and** ERC) will end, **except** for people who qualify for ERC reimbursement.
- If a person has BOTH a 1a ("regular" NF LOC) AND 1b (skilled or ERC) segment, the 1b segment will be closed, and the 1a segment will continue, **unless** the person qualifies for ERC reimbursement.
- If a person has **ONLY** a 1b segment (and is not eligible for ERC), it will be converted to a 1a segment, with the same end date currently applicable to the 1b segment. This is a person whose continued LOC eligibility is contingent on the need for the skilled service.
- Effective 7/1, the **ONLY** 1b segments will be for people who qualify for ERC reimbursement.
- **For dates of service 7/1 and after, NFs will bill for ALL TennCare non-ERC residents using your Medicaid Level 1 ID and revenue code 191**, and for such claims paid *prior to 8/1* will initially be paid at the current Level 1 rate.
- Once new rates are implemented 8/1 and retroactive to 7/1, MCOs will retroactively adjust any claims paid at the Level 1 rate for dates of service between 7/1 and 7/31 to reflect the new blended rate.
- Any claims paid on or after 8/1 for dates of service 7/1 and after will be paid at the appropriate new blended rate, and adjustment will not be required.
- **For dates of service 7/1 and after NFs will bill using your Medicaid Level 2 ID and revenue code 192 ONLY for ERC.**
- **You must bill with the correct Medicaid ID and revenue code in order to be reimbursed.**

Blended Rate Changes NF Webinar

In June, LTSS will host a Nursing Facility Webinar over the upcoming Blended Rates changes. In this webinar, we will review PAE-related aspects of the blended rate changes and provide TPAES tips regarding these changes.

The webinar will be held on June 18th at 10am CT, this training webinar will be recorded and available on the LTSS training website no later than June 25th.

To register, click on the Training Request link here:

<https://www.tn.gov/tenncare/long-term-services-supports/ltss-training-request.html>

If you have further questions regarding these changes, please contact the MCO or call the LTSS Help Desk